

Exhibit 4

INTERCOMPANY SERVICES AND COST ALLOCATION AGREEMENT

This Intercompany Services and Cost Allocation Agreement (the "Agreement") is made and entered into this ____ day of _____ 200_ by and between [NEW PREMERA CORP.], [NEW PREMERA BLUE CROSS CORP.], PREMERA BLUE CROSS BLUE SHIELD OF ALASKA CORP., PREMERA FIRST, INC., WASHINGTON-ALASKA GROUP SERVICES, INC., MSC LIFE INSURANCE COMPANY, [NEW LIFEWISE HEALTH PLAN OF WASHINGTON, INC.], LIFEWISE ADMINISTRATORS, INC., [NEW QUALITY SOLUTIONS, INC.], LIFEWISE HEALTH PLAN OF OREGON, INC., STATES WEST LIFE INSURANCE COMPANY AND NORTHSTAR ADMINISTRATORS, INC. (individually referred to as a "Party" or collectively referred to as the "Parties.")

Recitals.

WHEREAS, one or more of the Parties will provide services to one or more of the other Parties on a cost-basis; and

WHEREAS, the parties desire to establish the cost allocation methods and procedures for the allocation of general and administrative expenses related to those services by entering into a formal written agreement,

NOW, THEREFORE, in consideration of the mutual promises made and the terms and conditions hereunder described, it is hereby agreed as follows:

1. DEFINITION OF G&A EXPENSES. The term "G&A Expenses" shall mean those costs and expenses set forth and defined in Exhibit A (the "Chart of Accounts"), which may be amended from time to time and automatically incorporated into this Agreement without a formal written amendment to the Agreement, and all such costs and expenses as further defined from time to time by the Parties.

2. ACCUMULATION AND ALLOCATION OF G&A EXPENSES.

2.1 Except as otherwise provided in any separate written agreement between one or more of the Parties, the G&A Expenses shall be accumulated and allocated among the Parties in accordance with the following methods and procedures (the "Allocation Methods"):

- (a) [New PREMERA] or [New Premera Blue Cross Corp.] maintains an activity based cost accounting system under which G&A Expenses are accumulated in accordance with Generally Accepted Accounting Principles consistently applied and allocated to the lines of business based upon an appropriate quantifiable measure supporting the activities performed in the cost center, including, but not limited to, level of service, claims processed, membership, CPU utilized, time reporting and or activity; and

- (b) [New PREMIERA] or [New Premiera Blue Cross Corp.] allocates such G&A Expenses at the account level within each cost center consistent with BlueCross BlueShield Association (BCBSA) cost accounting guidelines and Federal Cost Accounting Standards (CAS).

2.2 The Allocation Methods shall be periodically reviewed and may be amended, if necessary, for:

- (a) changes in business practices;
- (b) changes in BCBS cost accounting guidelines and/or CAS; or
- (c) determinations that an inappropriate method has been used in the past, which did not fairly distribute the costs among two or more of the Parties.

Any such amendment to the Allocation Methods, including, but not limited to, the addition or deletion of new accounts and cost centers, shall not be subject to Section 6 of this Agreement.

3. RELATIONSHIP. Except as to matters covered by this Agreement or by any other written agreement, no Party is an agent of the other and shall not be liable for the obligations, acts of omission or commission of any other Party.

4. TERM OF CONTRACT. This Agreement shall become in full force and effect on the date first written above and shall continue in effect until terminated by the written agreement of the Parties or, as to any Party which ceases to be a Party, termination shall occur as of the effective date on which it ceases to be a Party hereto.

5. LAWS GOVERNING CONTRACT. This Agreement shall be construed and enforced according to the laws of the State of Washington.

6. MODIFICATION OF AGREEMENT. This Agreement constitutes the entire Agreement between the Parties hereto and except as otherwise specified herein, shall be modified only by the written agreement of the Parties.

7. ASSIGNMENTS. The provisions and terms of this Agreement shall be binding on and inure to the benefit of any successor, whether by operation of law or otherwise, to any of the Parties.

8. VALIDITY. In the event that any provision of this Agreement shall be held to be invalid or unenforceable, the same shall not affect in any way the validity or enforceability of the remainder of this Agreement.

9. COUNTERPARTS. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed to be the original. If it is necessary at any time to add another affiliate to this Agreement, the Parties hereto agree that the affiliate may become a party to this Agreement by executing a duplicate copy of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above set forth.

[NEW PREMIERA CORP.]

[NEW PREMIERA BLUE CROSS CORP.]

By: _____
Print Name: _____
Date: _____

By: _____
Print Name: _____
Date: _____

PREMIERA BLUE CROSS BLUE SHIELD
OF ALASKA CORP.

PREMERAFIRST, INC.

By: _____
Print Name: _____
Date: _____

By: _____
Print Name: _____
Date: _____

WASHINGTON-ALASKA GROUP
SERVICES, INC.

MSC LIFE INSURANCE COMPANY

By: _____
Print Name: _____
Date: _____

By: _____
Print Name: _____
Date: _____

[NEW LIFEWISE HEALTH PLAN OF
WASHINGTON, INC.]

LIFEWISE ADMINISTRATORS, INC.

By: _____
Print Name: _____
Date: _____

By: _____
Print Name: _____
Date: _____

[NEW QUALITY SOLUTIONS, INC.]

LIFEWISE HEALTH PLAN OF
OREGON, INC.

By: _____
Print Name: _____
Date: _____

By: _____
Print Name: _____
Date: _____

STATES WEST LIFE INSURANCE
COMPANY

By: _____
Print Name: _____
Date: _____

NORTHSTAR ADMINISTRATORS, INC.

By: _____
Print Name: _____
Date: _____

EXHIBIT A
CHART OF ACCOUNTS

➤ ***TOTAL LABOR & LABOR OVERHEAD EXPENSES***

SALARIES

| | |
|-------|---------------|
| 60100 | BASE SALARIES |
| 60110 | SICK PAY |
| 60120 | VACATION PAY |

INCENTIVE / BONUSES

| | |
|-------|--------------------------------|
| 60140 | BONUSES |
| 60200 | SALES INCENTIVE EXPENSE |
| 60220 | NORTHSTAR PRODUCTION INCENTIVE |

BENEFITS

| | |
|-------|-----------------------------|
| 60300 | EXECUTIVE RETIREMENT |
| 60310 | REGULAR RETIREMENT |
| 60400 | 401K EMPLOYER PORTION |
| 60415 | AGENT BENEFIT EXPENSE |
| 60420 | EMPLOYEE BENEFIT EXPENSE |
| 60425 | FLEX BENEFITS SALARY |
| 60441 | SEVERANCE PAY |
| 60445 | TERM. VACATION PAY |
| 60450 | INDUSTRIAL ACCIDENT |
| 60490 | FORMAL EDUCATION ASSISTANCE |
| 60500 | FICA TAXES |
| 60510 | UNEMPLOYMENT TAXES |

OVERTIME

| | |
|-------|--------------|
| 60250 | OVERTIME PAY |
|-------|--------------|

OUTSIDE LABOR

| | |
|-------|---------------|
| 60270 | OUTSIDE LABOR |
|-------|---------------|

CAPITALIZED PROJECT COSTS

| | |
|-------|---------------------------|
| 60600 | CAPITALIZED PROJECT COSTS |
|-------|---------------------------|

➤ **NON-LABOR EXPENSES**

PERSONNEL RELATED

| | |
|-------|----------------------------------|
| 60410 | EMP. BENEFITS - MISCELLANEOUS |
| 60411 | EMP. BENEFITS ADMIN. - NORTHSTAR |
| 60412 | EMP. BENEFITS MISC.-RESTRICTED |
| 60430 | RELOCATION EXPENSE |
| 60480 | OUTSIDE TRAINING |
| 60485 | MEETINGS/CONFERENCES |
| 62000 | CO AUTO INSURANCE |
| 62010 | CO AUTO DEPRECIATION EXPENSE |
| 62015 | CO AUTO LEASE EXPENSE |
| 62020 | CO AUTO EXPENSE & MAINT |
| 62100 | TRANSPORTATION |
| 62110 | MEALS |
| 62120 | LODGING |
| 62130 | ENTERTAINMENT |
| 62140 | RECRUITING FEES |
| 62500 | PUBLICATIONS |

INFRASTRUCTURE

-BLDG, OFFICE EQUIPMENT

| | |
|-------|---------------------------------|
| 61000 | OFFICE RENT |
| 61020 | OFFICE BLDG DEPRECIATION |
| 61030 | OFFICE BLDG INSURANCE |
| 61040 | OFFICE BLDG UTILITIES |
| 61050 | OFFICE BLDG MAINT & REPAIR |
| 61060 | STORAGE RENTAL & FEES |
| 61070 | OFFICE RELOCATION |
| 61300 | OFFICE EQ EXPENSE & MAINT |
| 61310 | OFFICE EQ DEPRECIATION |
| 61320 | OFFICE EQ RENTAL/LEASE |
| 61325 | OFFICE EQ SALE-LEASEBACK |
| 61335 | FURN. & FIXTURES SALE-LEASEBACK |
| 62400 | REAL ESTATE TAXES |
| 62410 | PERSONAL PROPERTY TAX |
| 63250 | FACILITIES RENTAL |

-MAINFRAME EQUIPMENT

| | |
|-------|-----------------------------------|
| 61100 | MF/SERVER EQ EXP & MAINTENANCE |
| 61110 | MF/SERVER EQ LEASE/RENTAL |
| 61115 | INSURED DATA CHARGES |
| 61116 | MF/SERVER EQ SALE-LEASEBACK |
| 61120 | MF/SERVER EQ DEPRECIATION |
| 61140 | MF/SERVER SOFTWARE EXP & MAINT |
| 61150 | MF/SERVER SOFTWARE AMORTIZATION |
| 61155 | MF/SERVER SOFTWARE SALE-LEASEBACK |
| 61160 | MF/SERVER SOFTWARE LEASE/RENTAL |
| 61175 | MF/SERVER SERVICES |

-PC EQUIPMENT

| | |
|-------|-----------------------|
| 61200 | PC EQ EXPENSE & MAINT |
|-------|-----------------------|

| | |
|-------|-----------------------------|
| 61210 | PC EQ RENTAL/LEASE |
| 61215 | PC EQ SALE-LEASEBACK |
| 61220 | PC EQ DEPRECIATION |
| 61240 | PC SOFTWARE EXPENSE & MAINT |
| 61250 | PC SOFTWARE AMORTIZATION |
| 61255 | PC SOFTWARE SALE-LEASEBACK |

-TELECOMMUNICATIONS EQUIPMENT

| | |
|-------|------------------------------------|
| 61700 | TELEPHONE - LOCAL |
| 61717 | TELEPHONE CABLING |
| 61720 | TELEPHONE - LONG DISTANCE |
| 61730 | WIRELESS DEVICES |
| 61740 | NETWORK LINE CHARGES |
| 61755 | TELEPHONE EQUIP EXPENSE & MAINT |
| 61765 | TELEPHONE SOFTWARE EXPENSE & MAINT |
| 61770 | TELEPHONE EQUIP DEPRECIATION |
| 61780 | TELEPHONE SOFTWARE AMORTIZATION |

-OTHER INFRASTRUCTURE

| | |
|-------|---------------------|
| 61345 | MISC. LEASE EXPENSE |
|-------|---------------------|

MEMBER RELATED

| | |
|-------|------------------------------|
| 61400 | OUTSIDE PRINTING |
| 61410 | PRINTING SUPPLIES |
| 61415 | MICROFILMING |
| 61460 | ID CARDS |
| 61600 | POSTAGE |
| 62420 | EXCISE & BUSINESS TAXES - WA |
| 62430 | EXCISE & BUSINESS TAXES - AK |
| 62600 | MEMBERSHIP DUES |

PROGRAM COSTS

| | |
|-------|-------------------------------------|
| 62300 | LEGAL SERVICES |
| 62310 | AUDIT & TAX SERVICES |
| 62320 | MEDICAL CONSULTING SERVICE |
| 62325 | MEDICAL EDUCATION/ADVISORY MEETINGS |
| 62330 | OTHER CONSULTING SERVICES |
| 62340 | LOBBYING |
| 62700 | ADVERTISING/PROMOTIONS/SPONSORSHIPS |

OTHER EXPENSES

| | |
|-------|-------------------------|
| 61510 | OFFICE SUPPLIES |
| 62470 | LICENSES AND FEES |
| 62820 | CHARITABLE DONATIONS |
| 62830 | POLITICAL CONTRIBUTIONS |
| 62900 | INSURANCE MISCELLANEOUS |
| 63000 | BANK SERVICE CHARGES |
| 63200 | MISCELLANEOUS EXPENSE |

SUBS/TPA/REIMBURSEMENT EXP

| | |
|-------|------------------------------|
| 63321 | TPA EXPENSE - TEMPORARY CARE |
|-------|------------------------------|

| | |
|-------|----------------------------------|
| 63323 | TPA EXPENSE - MEDICARE CROSSOVER |
| 63324 | TPA EXPENSE – MISC. |
| 63327 | TPA EXPENSE - VISION |
| 63333 | MDCN CLAIMS PROCESSING |
| 63346 | CLAIMS PROCESSING – OTHER |
| 63347 | NORTHSTAR ADM FEE |
| 63400 | AGENCY CONFERENCES |
| 64000 | NASCO FEES EXENSE |
| 65010 | MEDICARE REIMBURSEMENT |
| 65420 | BLUECARD PROGRAM CHARGES |
| 65430 | OUT OF AREA ADMIN EXPENSE (ITS) |
| 65601 | PPA NETWORK REIMBURSEMENTS |
| 68500 | AMORT OF GOODWILL |